

**REAPPOINTMENT OF AN INDEPENDENT
PUBLIC ACCOUNTING FIRM**

A Recommendation

1. **Division and Department:** Finance and Administration, Controller's Office

2. **Introduction:** The *Charter of the Audit Committee of the Oakland University Board of Trustees* (Audit Committee) provides that the Audit Committee is advisory to the Board of Trustees (Board) with the following duties and responsibilities in connection with the University's Independent Auditors. The Audit Committee shall:
 - A. Recommend to the Board of Trustees the appointment, compensation, retention, oversight and termination of all independent auditors.

 - B. Recommend to the Board of Trustees all terms of and fees for audit services, audit-related services, tax services, and other services to be performed for the University by any independent auditors.

 - C. Ensure that the independent auditors prepare and deliver with each engagement letter a written statement representing to the Audit Committee that the auditor is independent in regards to the University and any related parties.

 - D. Be provided annually with a copy of the auditor's peer review report and related letter of comments and recommendations.

 - E. Ensure that the independent auditors of the University-wide financial statements shall submit to the University, annually, a formal written statement of the fees billed for each of the following categories of services rendered by the independent auditors: (i) audit services; (ii) tax services; and (iii) all other services rendered by the independent auditors for the most recent fiscal year, in the aggregate and by each category of service.

 - F. Review the independent auditors' University-wide, written audit plan prior to the commencement of the audit and discuss audit scope, staffing, locations, and reliance upon Management, internal audit and general audit approach with the Audit Committee.

 - G. Review and evaluate the qualifications, performance, and

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independence of the independent auditors, including an evaluation of the lead partner of the independent auditors and an evaluation of whether the independent auditors' quality controls are adequate and whether the provision of permitted non-audit services is compatible with maintaining the auditors' independence. The Audit Committee's evaluation of the independence of the independent auditors shall be made with respect to standards of independence set forth in any applicable accounting and financial standards, laws and regulations. The Audit Committee shall consider the opinions of Management and internal auditors in its evaluation.

- H. Ensure the appropriate rotation of the lead audit partner having primary responsibility for the audit and audit partner responsible for reviewing the audit. The Board of Trustees require a rotation of the lead partner after five years with an introduction to the new lead partner during the fifth year of the current lead partner. In the case of extenuating circumstances (change in leadership, systems, processes, etc.), the Audit Committee can choose to extend the current lead partner for a period not to exceed two additional years.
- I. Consider, whether, in order to assure continuing auditor independence, there should be a change in the audit firm itself. Audit services shall be competitively bid every six years. In the case of extenuating circumstances (change in leadership, systems, processes etc.), the Audit Committee can recommend that the current audit contract be extended for a period not to exceed two additional years. Assessment of the audit firms responding will be based on both quantitative and qualitative factors as determined by the Audit Committee.
- J. Receive and act upon any report from the independent auditors regarding any internal control deficiencies and the response from Management thereto.
- K. Recommend approval of any non-audit services by any independent auditors.

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Plante & Moran (PM) was appointed by the Board as its independent public accountants for FY2020 and performed competently as determined by the Audit Committee. The Audit Committee recommends that PM continue for FY2021 as the Board's independent public accountants.

3. **Previous Board Action:** As a result of a competitive bid process, in February 2017, PM was appointed as the University's independent public accounting firm for FY2017, FY2018, FY2019 and FY2020.
4. **Budget Implications:** The audit engagement cost for FY2021 is projected to be \$92,000, potential incremental costs relative to additional services that may be required as a result of issues related to the Coronavirus pandemic, including accounting and disclosure matters, additional single audit grant testing, or those caused by delays in engagement timing or procedures, will be discussed with management, if necessary.
5. **Educational Implications:** None.
6. **Personnel Implications:** None.
7. **University Reviews/Approvals:** This recommendation was formulated by the Controller's Office and reviewed by the Vice President for Finance and Administration, President, and Audit Committee.
8. **Recommendation:**
WHEREAS, the Board of Trustees has previously appointed Plante & Moran (PM) as its independent public accounting firm; and

WHEREAS, the Board of Trustees' Audit Committee is satisfied with the performance of PM in its role as the Board of Trustees' independent public accounting firm; now, therefore, be it

RESOLVED, that the Board of Trustees approves the appointment of PM as the Board of Trustees' independent public accounting firm to conduct the FY2021 Audit at a projected cost of \$92,000; potential incremental costs relative to additional services that may be required as a result of issues related to the Coronavirus pandemic, including accounting and disclosure matters, additional single audit grant testing, or those caused by delays in engagement timing or procedures, will be discussed with management, if necessary; and, be it further

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RESOLVED, that the Board of Trustees' Audit Committee is charged with reviewing and approving the relative engagement letters and audit scope; and, be it further

RESOLVED, that PM will report the results of its annual examination of Oakland University's financial statements in draft form to the Board of Trustees' Audit Committee and in final form to the Board of Trustees; and, be it further

RESOLVED, that the Board of Trustees authorizes the Audit Committee Chair, President, Vice President for Finance and Administration, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the Audits and the ongoing administration of the Audits; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

9. Attachments:


- A. Audit Scope Letter
- B. Financial Statement Audit Engagement Letter
- C. NCAA Agreed-Upon-Procedures Letter
- D. Form 990-T Tax Review Letter

Submitted to the President
on 4-6, 2021 by

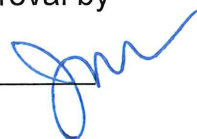


John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 4-6, 2021
to the Board of Trustees for Approval by



Ora Hirsch Pescovitz, M.D.
President



April 2, 2021

Audit Committee of the Board of Trustees
Oakland University
201 Meadow Brook Road, Room 13
Rochester, MI 48309-4401

Dear Members of the Audit Committee:

We are in the process of planning for the audit of the financial statements of Oakland University (the "University") for the year ended June 30, 2021. An important aspect of planning for the audit is communication with those who have responsibility for overseeing the strategic direction of the University and obligations related to the accountability of the University. At the University these responsibilities and obligations are held by the Audit Committee, collectively and individually; therefore, it is important for us to communicate with each of you in your role as a member of the Audit Committee.

As part of this communication process, we have spoken at length with Mr. John W. Beaghan, Vice President for Finance & Administration and Treasurer to the Board of Trustees regarding our responsibilities under generally accepted auditing standards and the planned scope and timing of our audit. The purpose of this letter is to provide each of you with a summary of those discussions and to provide you with the opportunity to communicate with us on matters that may impact our audit.

Our Responsibility Under Generally Accepted Auditing Standards

As stated in our engagement letter addressed to Ms. Melissa Stolicker and Mr. John W. Beaghan and dated April 2, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In accordance with Generally Accepted Government Auditing Standards (GAO Standards), we are required to communicate all noncompliance with provisions of laws, regulations, contracts or grants that have a material effect on the financial statements that comes to our attention. GAO standards also require that we report any instances of abuse identified during that audit that could be quantitatively or qualitatively material to the financial statements.

We expect to include an emphasis-of-matter paragraph in the auditor's report informing the users of the financial statements about the following:

- The significance of a change to the financial statements as a result of adopting a new accounting standard. The proposed wording of the emphasis-of-matter paragraph follows:

As explained in Note 1, effective July 1, 2020, the University adopted new accounting guidance under GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes

criteria for identifying fiduciary activities of all state and local governments (including institutions of higher education) and how those activities should be reported. Our opinion is not modified with respect to this matter.

- The significance of a disclosure included in the financial statements. The proposed wording of the emphasis-of-matter paragraph follows:

As described in Note 1 to the financial statements, the COVID-19 pandemic has impacted the operations of the University. Our opinion is not modified with respect to this matter.

Overview of the Planned Scope and Timing of the Audit

Our audit fieldwork will include three phases. The planning and preliminary information-gathering phase will occur during May 2021; the risk assessment phase in May and June 2021; and the rest of our audit procedures will be performed during August 2021.

To plan an effective audit, we must identify significant risks of misstatement in the financial statements and design procedures to address those risks. We have attached a listing of identified areas where risk of misstatement is significant and included our testing in response to those areas.

We will gain an understanding of accounting processes and key internal controls through a review of the accounting procedures questionnaires and control procedures questionnaires prepared by management. We will confirm through observation and inspection procedures that accounting procedures and controls included in the questionnaires have been implemented. We will not express an opinion on the effectiveness of internal control over financial reporting; however, we will communicate to you significant deficiencies and material weaknesses identified in connection with our audit.

The concept of materiality is inherent in our work. We place greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than with those items of lesser importance or those in which the possibility of material error is remote.

Information from You Relevant to Our Audit

An important aspect of this communication process is the opportunity for us to obtain from you information that is relevant to our audit. Your views about any of the following are relevant to our audit:

- The areas of risks that may result in material misstatements
- Matters you consider warrant particular attention during the audit, and any areas where you want to request additional procedures be undertaken
- Concerns about the University's internal control and its importance to the University, including how those charged with governance oversee the effectiveness of internal control and the detection or possibility of fraud
- Significant communications with regulators

April 2, 2021

- The actions of management and those charged with governance in response to developments in accounting standards, regulations, laws, previous communications from us, and other related matters

If you have any information to communicate to us regarding the above or any other matters you believe are relevant to the audit, or if you would like to discuss the audit in more detail, please call me at (586) 416-4913 or e-mail me at dana.coomes@plantemoran.com as soon as possible.

Thank you for your time and consideration in this important aspect of the audit process. You can expect to hear from us again after the completion of our audit when we will report to you the significant findings from the audit.

Very truly yours,

Plante & Moran, PLLC



Dana M. Coomes
Partner

Attachment

General Audit Approach

AREA	AUDIT APPROACH
Cash	Testing of the bank reconciliation and confirmation of balances.
Investments	Analysis of the valuation of investments to independent sources.
Student accounts receivable and related allowances	Systems testing; cut-off testing; analytical procedures; review the methodology of the allowance calculation; consideration of historical experience.
Pledges receivable	Review of payments; consider confirming significant amounts; consideration of historical experience.
Property, plant, and equipment	Test carry forward of prior years' balances; vouch additions; limited depreciation testing for consistency and appropriateness; testing of disposals; review status of construction projects.
Accounts payable/ Accrued compensation and other liabilities	Search for unrecorded liabilities, examine and test schedules or other support. Review of third party valuation of GASB 75 OPEB Liability.
Long-term debt obligations	Confirmations, review documents and supporting schedules, review debt covenant calculations to ensure compliance.
Interest rate swap derivative	Reconciliation of SWAP agreement to independent valuation sources; review accounting treatment related to deferred inflow and outflows.
Federal grants	Single audit - Student Financial Aid selected as a major program. Plante Moran to monitor requirement to test additional programs related to the HEERF.
Tuition and fees (including unearned revenue)	Systems testing; analytical testing of revenue and deferred revenue based on enrollment data from the registrar's office.
Expenditures	Systems testing; tests of transactions; tie out specific amounts (e.g. depreciation and interest); analytical procedures, including comparisons to prior year and budget amounts.
Net position	Test carry forward balances; review documents and supporting schedules; review of net position classifications.



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April 2, 2021

Ms. Melissa Stolicker
 Mr. John W. Beaghan
 Oakland University
 201 Meadow Brook Road, Room 13
 Rochester, MI 48309

Dear Ms. Stolicker and Mr. Beaghan:

Thank you for your selection of Plante & Moran, PLLC (“PM”) to assist you. We are sending this letter and the accompanying Professional Services Agreement, which is hereby incorporated as part of this engagement letter, to confirm our understanding of the nature, limitations, and terms of the services we will provide to Oakland University (the “University”).

Scope of Services

We will audit the University’s basic financial statements and federal awards as of and for the year ended June 30, 2021.

In addition, we will serve as a component auditor for the purposes of the audit of the State of Michigan. In connection with that audit, we will subject the University’s crosswalk, which reconciles financial information from the University’s financial statements to the State of Michigan CAFR, to the auditing procedures applied in our audit of the University’s financial statements. We will then update subsequent events to a date chosen by the State of Michigan.

In connection with our audit engagement, we will assist you in drafting your data collection form online with the federal clearinghouse. This assistance is considered a non-audit service; you agree to the contemporaneous provision of these audit and non-audit services.

If you determine that you need additional services, including accounting, consulting, or tax assistance, PM can be available to provide such additional services if and to the extent provided for in a separate, signed engagement agreement.

Timing of Services

We expect to begin fieldwork and complete our on-site audit work with our report issuance dates for each as follows:

Audit/ Procedures to be Performed	Estimated Date Fieldwork Begins	Estimated Date Fieldwork Ends	Estimated Report Issuance Date
Financial Statement Audit	May 24, 2021	August 27, 2021	October 8, 2021
Federal Program Audit	May 24, 2021	August 27, 2021	October 8, 2021
Review of Crosswalks for State of Michigan CAFR	October 4, 2021	October 15, 2021	November 24, 2021

Due to the effects of the Coronavirus pandemic, as an alternative to certain elements of our on-site work, we expect to perform procedures remotely. Completion of our procedures and issuance of our report will be dependent upon our ability to obtain sufficient appropriate information and access your staff during these remote procedures. If there are procedures that will require us to be on-site, we will work with you to schedule that work based on and subject to applicable legal requirements and/or guidance regarding worksite safety conditions.

Fees and Payment Terms

Our fee for this engagement will be based on the value of the services provided, which is primarily a function of the time that PM staff expend at our current hourly rates. We estimate that our fee for this engagement will be as follows:

Scope of Services	Fee
University Audit	\$64,000
Single Audit – Student Financial Aid	\$15,000
Crosswalks for the State of Michigan CAFR	\$3,000

Our fee does not include additional services that may be required as a result of issues related to the Coronavirus pandemic, including accounting and disclosure matters, additional single audit grant testing, or those caused by delays in engagement timing or procedures. In the event any of these issues arise, we will discuss additional fee estimates with you.

Our fee does not include any consulting services related to the implementation of GASB Statement No. 84, *Fiduciary Activities*, which is effective for the University's fiscal year ended June 30, 2021.

Our fees include out-of-pocket and travel expenses which we anticipate will be nominal. Invoices for audit and other services and out-of-pocket costs will be rendered as services are provided and are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement.

Ms. Melissa Stolicker
Oakland University

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April 2, 2021

Thank you for the opportunity to serve you.

Very truly yours,

Plante & Moran, PLLC



Dana M. Coomes

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between Oakland University and Plante & Moran, PLLC with respect to the services specified in the Scope of Services section of this engagement letter.

Oakland University

Ms. Melissa Stolicker
Chair, Audit Committee

Date

Mr. John W. Beaghan,
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Date

Professional Services Agreement – Audit Services Addendum to Plante & Moran, PLLC Engagement Letter

This Professional Services Agreement is part of the engagement letter for audit services dated April 2, 2021 between Plante & Moran, PLLC (referred to herein as “PM”) and Oakland University (referred to herein as “the University”).

1. **Financial Statements** – The financial statements of the University being audited by PM are to be presented in accordance with accounting principles generally accepted in the United States of America (GAAP).
2. **Management Responsibilities** – The University management is responsible for the preparation and fair presentation of these financial statements, the schedule of federal awards, and the data collection form in accordance with the applicable financial reporting framework, including compliance with the requirements of accounting principles generally accepted in the United States of America when required, and the completeness and accuracy of the information presented and disclosed therein. Management is also responsible for the capability and integrity of the University personnel responsible for the University’s underlying accounting and financial records.

The University personnel will provide PM, in a timely and orderly manner, with access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, the schedule of federal awards, and the data collection form, such as records, documentation, and other matters and additional information that the auditor may request from management for the purpose of the audit.

This includes providing assistance and information PM requests during the course of its audit, including retrieval of records and preparation of schedules, analyses of accounts, and confirmations. A written request for information to be provided will be submitted under separate cover and supplemented by additional written and oral requests as necessary during the course of PM’s audit. In addition, the University will provide PM access to all information in its possession that has a material impact on any material transaction (“material” herein means that the expected effect on the financial statements of the University would exceed \$500,000 individually or in the aggregate) and that information will be complete, truthful, and accurate. The University will allow PM unrestricted access to personnel within the University from whom PM determines it necessary to obtain audit evidence.

The University represents and warrants that any and all information that it transmits to PM will be done so in full compliance with all applicable federal, state, and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, “Data Privacy Laws”). The University shall not disclose personal data of data subjects who are entitled to certain rights and protections afforded by applicable federal, state, and foreign privacy and data protection laws (“Personal Data”) to PM without prior notification to PM. The University shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

Management is responsible for making all management decisions and performing all management functions relating to the financial statements, supplementary financial information related notes, schedule of federal awards, and data collection form. Management accepts full responsibility for such decisions, even if PM provides advice as to the application of accounting principles or assists in drafting the financial statements, supplementary financial information, related notes, schedule of federal awards, or data collection form. Management is ultimately responsible for the submission of the data collection form to the Federal Audit Clearinghouse. The University has designated Mr. John W. Beaghan, Vice President for Finance and Administration and Treasurer to the Board of Trustees to oversee financial statement and federal awards reporting related services PM provides. Management will be required to acknowledge in the management representation letter that it has reviewed and approved the financial statements, supplementary financial information, and related notes prior to their issuance and have accepted responsibility for the adequacy of the financial statements.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing PM about all known or suspected fraud affecting the University involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. Management’s responsibilities include informing PM of its knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Management is responsible for providing PM with complete, accurate, and timely information that could bear on PM’s independence under applicable professional standards, including, but not limited to, information and representations regarding affiliates of the University, business or personal relationships between the University and PM, and business, personal and employment relationships between those in a financial reporting oversight role, including members of governance, and PM (collectively, Independence Information). The University represents and warrants that (a) it has provided PM any and all Independence Information existing as of the date

Professional Services Agreement – Audit Services

of this Agreement, (b) that such Independence Information is accurate and complete as of the date of this Agreement, (c) that it will notify PM of any changes to Independence Information that has been provided as of the date of this Agreement, and (d) that, after the date of this Agreement, it will provide any new Independence Information to PM as soon as it becomes known to the University.

- 3. Objective of an Audit of Financial Statements** – The objective of PM's audit is the expression of an opinion on the University financial statements specified in the accompanying engagement letter. PM offers no guarantee, express or implied, that its opinion will be unmodified or that it will be able to form an opinion about these financial statements in the event that the University's internal controls or accounting and financial records prove to be unreliable or otherwise not auditable. If PM's opinion is to be modified, PM will discuss the reasons with the University management in advance of the issuance of its audit report. If, for any reason, PM is prevented from completing its audit or is unable to form an opinion on these financial statements, PM may terminate the engagement and decline to issue a report.
- 4. Supplementary Information** – In any document that contains supplementary information to the basic financial statements that indicates that the auditor has reported on such supplementary information, management agrees to include the auditor's report on that supplementary information. In addition, management agrees to present the supplementary information with the audited financial statements or to make the audited financial statements readily available no later than the date of issuance by the University of the supplementary information and the auditor's report thereon.
- 5. Internal Controls** – The University is responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including controls established for the purpose of preventing or detecting errors in financial reporting, preventing fraud or misappropriation of assets, and identifying and complying with applicable laws and regulations, including those applicable to federal awards, and with the provisions of contracts and grant agreements. PM, in making its risk assessments, will consider internal control relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. PM's audit will not be designed to provide assurance on the design or operating effectiveness of the University's internal controls or to identify all conditions that represent significant deficiencies in those internal controls. PM will communicate all significant deficiencies and material weaknesses in internal controls relevant to the audit of the financial statements, instances of fraud, or misappropriation of assets that come to PM's attention.
- 6. Audit Procedures and Limitations** – PM's audit of the financial statements will be conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include examination, on a test basis, of evidence supporting the amounts and disclosures in the University financial statements specified in this engagement letter. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. An audit in accordance with GAAS involves judgment about the number of transactions to be tested and the overall approach to testing in each area. As a result, PM's audit can only be designed to provide reasonable rather than absolute assurance that these financial statements are free from material misstatement. In addition, an audit in accordance with GAAS is not designed to detect errors or fraud that are immaterial to the financial statements. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected always exists, even in an audit properly planned and performed in accordance with GAAS. In recognition of these limitations, the University acknowledges that PM's audit cannot guarantee that all instances of error or fraud will be identified.
- 7. Government Auditing Standards** – Under *Government Auditing Standards*, PM will make some assessments of the University's compliance with laws, regulations, and contract provisions. While those assessments will not be sufficient to identify all noncompliance with applicable laws, regulations, and contract provisions, PM will communicate all noncompliance conditions that come to PM's attention.

PM's audit of the University's federal awards will be made in accordance with auditing standards generally accepted in the United States of America; the standards applicable for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

Management is responsible for corrective action on all audit findings, including preparation of a schedule of prior audit findings and corrective action plans, if necessary.

Professional Services Agreement – Audit Services

In accordance with *Government Auditing Standards*, a copy of PM's most recent peer review report is included as an attachment to this agreement.

- 8. Auditor Communications** – PM is obligated to communicate certain matters related to the audit to those responsible for governance of the University, including instances of error or fraud and significant deficiencies and material weaknesses in internal control that PM identifies during its audit. PM will communicate these matters to the members of the University's governing board, and the University acknowledges and agrees that communication in this manner is sufficient for the University's purposes.

Communication to Group Auditor – In instances where PM has been engaged as a component auditor for the purposes of a Group Audit, the terms of the engagement may include communication of certain matters related to the audit to the Group Auditor. The University permits such communication. PM will discuss matters being communicated with those responsible for governance of the University.

Under *Government Auditing Standards* PM is obligated to communicate instances of fraud, noncompliance or abuse that is material to the financial statements to those responsible for governance of the University. In certain situations, *Government Auditing Standards* require disclosure of instances of known or likely fraud, noncompliance, or abuse directly to applicable governmental agencies. If such acts are detected during PM's audit, PM will make required disclosures regarding these acts to applicable government agencies.

- 9. Accounting and Financial Records** – The University agrees that it is responsible for providing PM with accounting and financial records that are closed, complete, accurate, and in conformity with the requirements of GAAP, for providing schedules and analyses of accounts that PM requests, and for making all the University financial records and related information available to PM for purposes of PM's audit. Where PM has provided estimates of the timing of its work and completion of PM's engagement and issuance of PM's report, those estimates are dependent on the University providing PM with all such accounting and financial records, schedules, and analyses on the date PM's work commences. PM will assess the condition of the University's accounting and financial records, schedules, and analyses of accounts prior to commencing its work. In the event that such records, schedules, and analyses are not closed, complete, accurate, or in conformity with GAAP, PM may have to reschedule its work, including the dates on which PM expects to complete its on-site procedures and issue its audit report.

In any circumstance where PM's work is rescheduled due to the University's failure to provide information as described in the preceding paragraph, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of the audit work or issuance of its audit report. Because rescheduling audit work imposes additional costs on PM, in any circumstance where PM has provided estimated fees, those estimated fees may be adjusted for the additional time PM incurs as a result of rescheduling its work. These fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

- 10. Audit Adjustments** – PM will recommend adjustments to the University's accounting records that PM believes are appropriate. The University management is responsible for adjusting the University accounting records and financial statements to correct material misstatements and for affirming to PM in writing that the effects of any unrecorded adjustments identified during PM's audit are immaterial, both individually and in the aggregate, to the University financial statements specified in this agreement.
- 11. Management Representations** – The University is responsible for the financial statements and federal awards being audited and the implicit and explicit representations and assertions regarding the recognition, measurement, presentation, and disclosure of information therein. During the course of the audit, PM will request information and explanations from the University officers, management, and other personnel regarding accounting and financial matters, including information regarding internal controls, operations, future plans, and the nature and purpose of specific transactions. PM will also require that management make certain representations to PM in writing as a precondition to issuance of PM's report.

PM's audit procedures will be significantly affected by the representations and assertions PM receives from management and, accordingly, false representations could cause material error or fraud to go undetected by PM's procedures. Accordingly, the University acknowledges and agrees that it will instruct each person providing information, explanations, or representations to an auditor to provide true and complete information, to the best of his or her knowledge and belief. It is also agreed that any deliberate misrepresentation by any director, officer, or member of management, or any other person acting under the direction thereof ("Client Personnel"), intended to influence, coerce, manipulate, or mislead PM in the conduct of its audit of the financial statements will be considered a material breach of this agreement. In addition, as a condition of its audit engagement, the University agrees to indemnify and hold PM and its partners, affiliates, and employees harmless from any and all claims, including associated attorneys' fees and costs, based on PM's failure to detect material misstatements in the University financial statements resulting in whole or in part from deliberate false or misleading representations,

Professional Services Agreement – Audit Services

whether oral or written, made to PM by Client Personnel. This indemnity will be inoperative only if, and to the extent that, a court having competent jurisdiction has determined that PM failed to conduct its audit in accordance with generally accepted auditing standards and such failure resulted in PM not determining such misrepresentation by Client Personnel was false.

- 12. Use of Report** – PM's report on the financial statements must be associated only with the financial statements that were the subject of PM's audit engagement. The University may make copies of the audit report, but only if the entire financial statements (including related footnotes and supplemental information, as appropriate) are reproduced and distributed with that report. The University agrees not to reproduce or associate PM's audit report with any other financial statements, or portions thereof, that are not the subject of this engagement.

If PM's report on the financial statements being audited is to be published in any manner or if the University intends to make reference to PM in a publication of any type, the University agrees to submit proofs of the publication to PM for review prior to such publication and cooperate with PM in PM's performance of any additional audit procedures PM deems necessary in the circumstances, the nature and extent of which will be at PM's sole discretion. The University acknowledges and agrees that additional fees for such work will be determined in accordance with the Fee Adjustments provision of this agreement. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on the University's Internet website, the University understands that electronic sites are a means to distribute information and, therefore, PM is not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

- 13. Securities Offerings** – PM's audit does not contemplate, and does not include, any services in connection with any offering of securities, whether registered or exempt from registration. In the event the University elects to incorporate or make reference to PM's report in connection with any offering of debt or equity securities and requests PM's consent to such incorporation or reference, the University understands that additional procedures will need to be performed. In the event PM agrees in writing to perform such additional procedures, the nature and extent of which will be at PM's sole discretion, it is agreed and acknowledged that PM's performance of such additional procedures will be subject to all of the terms and conditions of this agreement. Additional fees for such work will be determined based on the actual time that PM staff expend at current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and that payment for all such additional fees will be made in accordance with the payment terms provided in this agreement.

If the University incorporates or makes reference to PM's report in connection with any offering of debt or equity securities without obtaining consent from PM as described above, the University agrees to include the following provision in the offering document:

Plante & Moran, PLLC, our independent auditor, has not performed or been engaged to perform any services in connection with the offering of securities. Nor has Plante & Moran, PLLC performed or been engaged to perform any procedures on the financial statements of the University since the date of the Plante & Moran, PLLC report included herein. Plante & Moran, PLLC also has not performed any procedures relating to this offering document.

- 14. Tax Return Preparation** – This engagement does not include preparation of any tax returns or filings. If the University requires tax services, including tax consulting or preparation of tax returns, those services will be detailed in a separate engagement letter.

- 15. Confidentiality, Ownership, and Retention of Workpapers** – During the course of this engagement, PM and PM staff may have access to proprietary information of the University, including, but not limited to, information regarding general ledger balances, financial transactions, trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to the University. PM will comply with all applicable ethical standards, laws, and regulations as to the retention, protection, use and distribution of such confidential client information. Except to the extent set forth herein, PM will not disclose such information to any third party without the prior written consent of the University.

In the interest of facilitating PM's services to the University, PM may communicate or exchange data by internet, e-mail, facsimile transmission, or other electronic method. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, the University recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Professional Services Agreement – Audit Services

Both the University and PM acknowledge, however, that PM may be required to make its workpapers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Further, in compliance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, PM's working papers will be made available to federal award program representatives at PM offices during normal business hours during the audit and for a period of three years after the issuance of the report. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform the University in a timely manner of such request and to cooperate with the University should it attempt, at the University's cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to the University as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, workpapers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon the University's written request, PM may, at its sole discretion, allow others to view any workpapers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. The University acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's workpapers, without regard to whether access had been granted with respect to any prior requests.

- 16. Consent to Disclosures to Service Providers** – In some circumstances, PM may use third-party service providers to assist with its services, including affiliates of PM within or outside the United States. In those circumstances, PM will be solely responsible for the provision of any services by any such third-party service providers and for the protection of any information provided to such third-party service providers. PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for the University. In order to enable these third-party service providers to assist PM in this capacity, the University, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of the University's information, including tax return information, to such third-party service providers, including affiliates of PM outside of the United States, if and to the extent such information is relevant to the services such third-party service providers may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. The University's consent shall be continuing until the services provided for this engagement agreement are completed.
- 17. Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees, or not-to-exceed fees ("Fee Quotes"), these Fee Quotes are based on information provided by the University regarding the nature and condition of its accounting, financial, and tax records; the nature and character of transactions reflected in those records; and the design and operating effectiveness of its internal controls. The University acknowledges that the following circumstances may result in an increase in fees:
- Failure by the University to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
 - Failure by the University to complete the audit preparation work by the applicable due dates;
 - Significant unanticipated or undisclosed transactions, audit issues, or other such unforeseeable circumstances, including those created by the Coronavirus pandemic and resulting market conditions;
 - Delays by the University causing scheduling changes or disruption of fieldwork, including challenges created by the Coronavirus pandemic resulting from the inaccessibility of the University personnel or records;
 - After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
 - Issues with the prior audit firm, prior year account balances, or report disclosures that impact the current year engagement;
 - An excessive number of audit adjustments.

Professional Services Agreement – Audit Services

PM will advise the University in the event these circumstances occur, however it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

- 18. Payment Terms** – PM's invoices for professional services are due upon receipt unless otherwise specified in the engagement letter. In the event any of PM's invoices are not paid in accordance with the terms of this agreement, PM may elect, at PM's sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM's audit work or issuance of PM's audit report upon resumption of PM's work. The University agrees that in the event PM stops work or terminates this Agreement as a result of the University's failure to pay fees on a timely basis for services rendered by PM as provided in this Agreement, or if PM terminates this Agreement for any other reason, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.
- 19. Fee Adjustments** – Any fee adjustments for reasons described elsewhere in this agreement will be determined based on the actual time expended by PM staff at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred and included as an adjustment to PM's invoices related to this engagement. The University acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
- 20. Indemnifications** – The University releases PM from any Consequential Damages to the University that result from the audit services, audit reports and other related reports prepared by PM, except such Consequential Damages that result from PM's willful misconduct or fraudulent behavior. The University releases, indemnifies and holds PM harmless from any Direct Damages and Consequential Damages that result from a material misstatement of the University's financial statements, when the cause of the material misstatement was the willful misconduct or fraudulent behavior of Client Personnel. However, nothing in this Agreement is intended to or may be deemed to create a waiver of governmental immunity by the University.

PM releases, indemnifies and holds the University and Client Personnel harmless from any Direct Damages and Consequential Damages that result from or arise out of sickness, bodily injury or death of any person, or damage to or loss or destruction of any real or tangible or intangible personal property, when the cause of the personal or property loss was the willful or negligent act or omission of PM.

"Direct Damages" herein mean those liabilities, losses, costs and expenses, including reasonable attorney and expert witness fees that follow immediately and directly from an act or omission. "Consequential Damages" herein mean those indirect, lost profits, punitive, or other special damages, including reasonable attorney and expert witness fees that follow remotely from some of the consequences or effects of an act or omission. Direct Damages and Consequential Damages are those amounts determined judicially, by verdict, by settlement or by mutually agreed upon alternate dispute resolution, in legal claims, demands, actions or suits in tort, contract or otherwise.

- 21. Conditions of PM Visit to Client Facilities** – The University agrees that PM's services will be provided remotely to the maximum extent possible. In order to facilitate the provision of services remotely, the University agrees to provide documentation and other information reasonably required by PM for PM's performance of the engaged services electronically to the extent possible throughout the course of the engagement. In the event in-person visits to the University's facilities are determined by PM in its sole discretion to be necessary for the performance of the engaged services, the University agrees, as a pre-condition to any such in-person visit, to provide to PM for PM's evaluation the University's policies and procedures that the University has implemented and will adhere to relating to workplace safety and the prevention of the transmission of disease at its facilities. In addition, the University affirms that it is in compliance with applicable Centers for Disease Control and Prevention and OSHA guidance pertaining to the prevention of the transmission of disease (collectively, "Applicable Preventative Guidance") and agrees that it shall continue to comply with Applicable Preventative Guidance throughout any in-person visits by PM to the University's facilities. The University further affirms that it is in compliance and shall continue to comply with all other applicable laws, regulations, or executive orders relating to COVID-19 or the prevention of the spread thereof (collectively, "COVID-19 Laws") and agrees that it shall continue to comply with COVID-19 Laws throughout any in-person visits by PM to the University's facilities. Notwithstanding the foregoing, PM reserves the right to suspend or refrain from any in-person visit by PM to the University's facilities or impose further conditions on any such in-person visit if and as PM deems necessary at its sole discretion. The University agrees and acknowledges that any determination by PM to visit the University's facilities is not and shall not be construed to be or relied on by the University as a determination by PM of the University's compliance with Applicable Preventative Guidance or any COVID-19 Laws.
- 22. Release and Hold Harmless for Biological Agent Liability** – The University acknowledges that there is an inherent risk of exposure to COVID-19 or other infectious diseases associated with any in-person interaction or in-

Professional Services Agreement – Audit Services

person visit to property. Accordingly, the University, for itself and its successors and assigns, hereby releases PM and each of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third party service providers (collectively, "PM Persons") from any and all claims or causes of action that the University has, or hereafter may or shall have, against any of them in connection with, related to, or arising out of COVID-19 or other infectious diseases or the transmission thereof associated with a visit by one or more of the PM Persons to any the University facility(ies) or other in-person interaction with the University personnel (collectively hereafter "Biological Agent Liability"). Moreover, the University shall indemnify, defend and hold harmless the PM Persons from and against all claims, liabilities, losses and expenses suffered or incurred by any of them associated with any claim of Biological Agent Liability related to, arising out of or in connection with any visit by any PM Persons to a the University facilities or other in-person interaction with the University personnel.

- 23. Exclusion of Certain Damages** – In no event shall either party be liable to the other, whether a claim be in tort, contract, or otherwise, for any indirect, consequential, punitive, exemplary, lost profits, or similar damages in claims relating to PM's services provided under this engagement.
- 24. Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving the University but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, the University agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
- 25. Subsequent Discovery of Facts** – After the date of PM's report on the financial statements, PM has no obligation to make any further or continuing inquiry or perform any other auditing procedures with respect to the audited financial statements covered by PM's report, unless new information that may affect the report comes to PM's attention. If PM becomes aware of information that relates to these financial statements but was not known to PM at the date of its report, and that is of such a nature and from such a source that PM would have investigated it had it come to PM's attention during the course of the audit, PM will, as soon as practicable, undertake to determine whether the information is reliable and whether the facts existed at the date of PM's report. In this connection, PM will discuss the matter with the University and request cooperation in whatever investigation and modification of the financial statements that may be necessary. Additional fees for such work will be determined based on the actual time that PM staff expend at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and the University acknowledges and agrees that payment for all such additional fees will be made in accordance with the payment terms provided in this agreement.
- 26. Termination of Engagement** – This agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease and PM's engagement will be deemed to have been completed. The University will be obligated to compensate PM for all time expended and to reimburse PM for all out-of-pocket expenditures through the date of termination of this engagement.
- 27. Entire Agreement** – This engagement agreement is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
- 28. Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, by a court of competent jurisdiction, the other provisions shall remain in full force and effect.
- 29. Force Majeure** – Neither party shall be deemed to be in breach of this engagement agreement as a result of any delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a "Force Majeure Event"). The University acknowledges and agrees that a Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
- 30. Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
- 31. Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Professional Services Agreement – Audit Services



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A Professional Accounting Corporation

Report on the Firm's System of Quality Control

To the Partners of
Plante & Moran, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations (SOC 1 and SOC 2 engagements).

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Plante & Moran, PLLC has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 27, 2019

April 2, 2021

Ms. Melissa Stolicker
Mr. John W. Beaghan
Oakland University
201 Meadow Brook Road, Room 13
Rochester, MI 48309

Dear Ms. Stolicker and Mr. Beaghan:

Thank you for your selection of Plante & Moran, PLLC ("PM") to assist you. We are sending this letter and the accompanying Professional Services Agreement, which is hereby incorporated as part of this engagement letter, to confirm our understanding of the nature, limitations, and terms of the services we will provide for Oakland University (the "University" or "Institution").

Scope of Services

We will apply the agreed-upon procedures listed in Attachment A that the University has determined to be necessary. The procedures will be applied to evaluate whether the University's Intercollegiate Athletics Program Statement of Revenues and Expenses prepared by management is in compliance with the National Collegiate Athletic Association ("NCAA"), Bylaw 3.2.4.15 for Division I for the year ended June 30, 2021, prepared in accordance with standards established by the American Institute of Certified Public Accountants. Our engagement to apply the agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and National Collegiate Athletic Association Financial Audit Guidelines. The sufficiency of the procedures is solely the responsibility of the University. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

Because the agreed-upon procedures specified in the attached schedule do not constitute an examination or audit, we will not express an opinion or conclusion on the University's Intercollegiate Athletics Program Statement of Revenues and Expenses. In addition, we have no obligation to perform any procedures beyond those specified in the attached schedule.

If in the course of the engagement we believe other or additional procedures may be appropriate, we will notify you. If you require any additional services, including accounting, consulting, or tax assistance, those services will be detailed in a separate engagement letter.

At the completion of our procedures, we will submit a report listing the procedures performed and our findings. The report is intended solely for the use of the University and should not be used by anyone other than the University and the NCAA. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported.

Timing of Services

Due to the effects of the Coronavirus pandemic, as an alternative to certain elements of our on-site work, we expect to perform procedures remotely. This work is expected to begin in September 2021. Completion of our procedures and issuance of our report will be dependent upon our ability to obtain sufficient appropriate information and access your staff during these remote procedures. If there are procedures that will require us to be on-site, we will work with you to schedule that work based on and subject to applicable legal requirements and/or guidance regarding worksite safety conditions.

Fees and Payment Terms

Our fee for this engagement, subject to the terms and conditions of the accompanying Professional Services Agreement, will be \$9,000.

Our fee does not include additional services that may be required as a result of issues related to the Coronavirus pandemic, including accounting and disclosure matters, or those caused by delays in engagement timing or procedures. In the event any of these issues arise, we will discuss additional fee estimates with you.

If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement.

Thank you for the opportunity to serve you.

Very truly yours,

Plante & Moran, PLLC



Dana M. Coomes

Ms. Melissa Stolicker
Oakland University

April 2, 2021

Agreed and Accepted

We accept this engagement letter, including its Attachment, and the accompanying Professional Services Agreement, which set forth the entire agreement between Oakland University and Plante & Moran, PLLC with respect to the services specified in the Scope of Services section of this engagement letter.

Oakland University

Ms. Melissa Stolicker
Chair, Audit Committee

Date

Mr. John W. Beaghan,
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Date

Attachment A

PROCEDURES TO BE PERFORMED

We agree to perform the following procedures:

Internal Control Structure

A. Related to the institution's internal control structure, we will:

- 1) Meet with the Director of Intercollegiate Athletics and inquire about the general control environment over intercollegiate athletic finances, the level of control consciousness in the institution, the competence of personnel and the protection of records and equipment.
- 2) Obtain the audited financial statements for the year ending June 30, 2020 and any additional reports regarding internal controls if the institution is audited independent of these agreed-upon procedures and any corrective action taken in response to comments concerning internal control structure (if any).
- 3) Obtain any documentation of the accounting systems and procedures unique to the intercollegiate athletics department.

If the control environment and accounting systems are (a) unique to the intercollegiate athletics and (b) have not been addressed in connection with the audit of the institution's financial statements then the following procedures will be performed:

- i. We will select 3 games and test the ticket collection receipting process by comparing the total receipts for such games to the reconciliation and documentation of the related cash deposit amount with the bank.

NCAA Reporting

- B. We will obtain the Financial Report Submission to the NCAA, including the financial data detailing operating revenues, expenses and capital related to the institution's intercollegiate athletics program that will be submitted to the NCAA, and will compare the amounts to the Intercollegiate Athletics Program Statement of Revenues and Expenses (the "Statement") included in the agreed-upon procedures for the reporting period.
- C. For Grants-in-Aid: Compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA or equivalent supporting equivalency calculations from the institution. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the institution. If there is a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or equivalent supporting equivalency calculations, inquire about the discrepancy and report the justification in the AUP report.
- D. For Sports Sponsorship: Obtain the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. Validate that the countable sports reported by the institution meet the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. Post season contests are not countable toward the contest requirements; regular season only. If the institution requested and/or received a waiver related to minimum contests or minimum participants for a particular sport, that sport would not qualify as a sponsored sport for the purposes of revenue distribution. Also, only sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football are eligible. Once countable sports have been confirmed, ensure that the institution has properly reported these

Attachment A

sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. Note: Any discrepancies MUST be resolved within the NCAA Membership Financial Reporting System prior to the report being submitted to the NCAA.

- E. For Pell Grants: Agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Grant-in-Aid, Pell Grant recipients on Partial Grants-in-Aid and Pell Grant recipients with no Grants-in- Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the institution's financial aid records, of all student-athlete Pell Grants. Note: individual student-aid file testing in step L1 below should tie any selected student athletes who received Pell Grants back to the report of all student athlete Pell Grants to test the completeness and accuracy of the report.

Notes, Disclosures, and Other Procedures

- F. We will obtain and describe the institution's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets, and will include in the notes to the statement. We will obtain a schedule of athletics-related capital expenditures made by athletics, the institution, and affiliated organizations during the period. We will agree the schedule to the institution's general ledger.
- G. We will obtain repayment schedules for all outstanding intercollegiate athletics debt maintained by the institution during the reporting period. We will recalculate annual maturities (consisting of principal and interest) provided in the schedules obtained and agree the total annual maturities to supporting documentation and the institution's general ledger, as applicable. The repayment schedule(s) shall be included in the notes to the statement. We will agree the total outstanding institutional debt to supporting documentation and the institution's audited financial statements, if available, or the institution's general ledger.
- H. Changes in loan, endowment or plant funds related to intercollegiate athletics shall not be included in the Statement.
- 1) We will obtain significant additions to restricted funds related to intercollegiate athletics, as well as significant changes to endowment and plant funds, and disclose separately in the notes to the statement. Significant is defined as exceeding 10 percent of total contributions.
 - 2) We will obtain and disclose the value of endowments at the fiscal year-end that are dedicated to the sole support of athletics. We will agree the fair market value of the schedule(s) to supporting documentation, the general ledger(s) and the audited financial statements, if available. We will agree the total fair market value of athletics dedicated endowments and institutional endowments to supporting documentation, the institution's general ledger and/or audited financial statements, if available.
 - 3) We will obtain and disclose the value of all pledges at the fiscal year-end that support athletics.
 - 4) We will obtain and disclose the athletics department fiscal year-end fund balance.

Statement of Revenues and Expenses

- I. We will obtain the Intercollegiate Athletics Program Statement of Revenues and Expenses for the reporting period, prepared by management, and agree all amounts back to the institution's general ledger.

Attachment A

- J. We will agree each revenue and expense amount from the statement to prior year amounts and budget estimates. We will compare each revenue and expense account over 10 percent of total revenues and expenses, respectively, to prior period amounts and budget estimates. We will obtain and document any variations exceeding 10 percent of total revenues or expenses. We will report the analysis as a supplement to the final report.
- K. We will perform additional procedures on the following revenue and expense categories unless the specific reporting category is less than 4 percent of total revenues or expenses.

Revenues

- L. We will agree each revenue category reported in the statement during the reporting period to supporting schedules provided by the institution.

We will perform the following procedures for the indicated revenue category unless the specific category is less than 4 percent of total revenue:

- 1) Ticket Sales – We will compare tickets sold during the reporting period, complimentary tickets provided during the reporting period, and unsold tickets to the related revenue reported by the institution in the statement and related attendance figures and recalculate totals.
- 2) Student Fees – We will compare and agree student fees reported by the institution in the statement for the reporting period to student enrollments during the same reporting period. We will obtain documentation of the institution’s methodology for allocating student fees to intercollegiate athletics programs, and recalculate totals.
- 3) Direct Institutional Support – We will compare the direct institutional support recorded by the institution during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation and recalculate totals.
- 4) Indirect Institutional Support – We will compare the indirect institutional support recorded by the institution during the reporting period with expense payments, cost allocation detail, and/or other corroborative supporting documentation and recalculate totals.
- 5) Guarantees – We will select a sample of one settlement report for away games during the reporting period and agree each selection to the institution’s general ledger and/or the statement. We will select a sample of one contractual agreement pertaining to revenues derived from guaranteed contests during the reporting period and agree each selection to the institution’s general ledger and/or the statement, and recalculate totals.
- 6) Contributions – We will obtain supporting documentation for each contribution of moneys, goods or services received directly by an intercollegiate athletics program for any affiliated or outside organization, agency or group of individuals that constitute 10 percent or more in aggregate of all contributions received for intercollegiate athletics during the reporting period. We will disclose the source and dollar value of these contributions in the AUP report.
- 7) Media Rights – We will obtain and inspect available agreements related to the institution’s total media (broadcast, television, radio) rights received by the institution or through their conference offices. We will compare the media right revenues recorded to a summary statement of all media rights identified. We will compare related revenues to the institution’s general ledger and/or the statement, and recalculate totals.

Attachment A

- 8) NCAA Distributions – We will compare the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals.
- 9) Conference Distributions – We will obtain and inspect available agreements related to the institution's conference distributions and participation in revenues from tournaments during the reporting period for relevant terms and conditions. We will compare the related revenues to the institution's general ledger, and/or the statement.
- 10) Program Sales, Concessions, Novelty Sales, and Parking – We will compare the amount recorded in the revenue reporting category to general ledger detail of program sales, concessions, novelty sales and parking as well as any other corroborative supporting documents and recalculate totals.
- 11) Royalties, Licensing, Advertisements, and Sponsorships – We will obtain and inspect agreements related to the institution's participation in revenues from royalties, advertisements and sponsorships during the reporting period for the relevant terms and conditions. We will compare the related revenues to the institution's general ledger and/or the statement, and recalculate totals.
- 12) Sports Camp Revenues – We will obtain and inspect sports-camp contract(s) between the institution and person(s) conducting the institutional sports-camps or clinics during the reporting period to obtain documentation of the institution's methodology for recording revenues from sports-camps. We will obtain schedules of camp participants. We will select a sample of one individual camp participant cash receipt from the schedule of sports-camp participants and agree each selection to the institution's general ledger and/or the statement, and recalculate totals.
- 13) Athletics Restricted Endowment and Investment Income – We will obtain and inspect endowment agreements (if any) for relevant terms and conditions. We will compare the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income defined within the related endowment agreement, and recalculate totals.
- 14) Other – We will compare other revenues to the institution's general ledger, and/or the statement, and recalculate totals.

Expenses

- M. We will agree each expense category reported in the statement during the reporting period to supporting schedules provided by the institution.

We will perform the following procedures for the indicated Expense category unless the specific category is less than 4 percent of total expenses:

- 1) Athletic Student Aid – We will select a sample of 10% students from the listing of institutional student aid recipients during the reporting period (10% of the total student athletes for institutions who have used NCAA's Compliance Assistant (CA) software to prepare athletic aid detail, with a maximum sample size of 40, and 20% of total student athletes for institutions who have not, with a maximum sample size of 60).
 - a. We will obtain individual student account detail for each selection and compare total aid in the institution's student system to student detail in CA or the institution report that ties directly to the NCAA Membership Financial Reporting System.
 - b. We will perform a check of each student selected to ensure that their information was reported accurately in either the NCAA's Compliance Assistant software or

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entered directly into the NCAA Membership Financial Reporting System using the following criteria:

- i. The equivalency value for each student-athlete in all sports, including head-count sports, need to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA as the numerator and the full grant amount which is the total cost for tuition, fees, course-related books, room and board for an academic year as the denominator. If using the NCAA Compliance Assistant software, this equivalency value should already be calculated on that CRDE report labeled "Revenue Distribution Equivalent Award".
- ii. Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate. (Athletic grant amount divided by the full grant amount).
- iii. Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.07).
- iv. Full grant amount should be entered as a full year of tuition, not a semester or quarter.
- v. Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.
- vi. Athletics grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.
- vii. Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants' requirements of Bylaw 20.9.6.3.
- viii. Institutions providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth-year)" or "Medical" receive credit in the grants-in-aid component.
- ix. The athletics aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).
- x. If a sport is discontinued and the athletic grant(s) are still being honored by the institution, the grant(s) are included in student-athlete aid for revenue distribution purposes.
- xi. All equivalency calculations should be rounded to two decimal places.
- xii. If a selected student received a Pell Grant, ensure that the value of the grant is not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the institution.

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- xiii. If a selected student received a Pell Grant, ensure that the student's grant was included in the total number and total value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.
- c. Recalculate totals for each sport and overall.
 - 2) Guarantees – We will obtain and inspect away-game settlement reports received by the institution during the reporting period and agree related expenses to the institution's general ledger and/or the statement. We will obtain contractual agreements pertaining to expenses recorded by the institution from guaranteed contests during the reporting period. We will compare and agree related amounts expensed by the institution during the reporting period to the institution's general ledger and/or the statement and recalculate totals.
 - 3) Coaching Salaries, Benefits, and Bonuses Paid by the Institution and Related Entities – We will obtain and inspect a listing of coaches employed by the institution and related entities during the reporting period. We will select a sample of 3 coaches' contracts that must include football, and men's and women's basketball from the above listing. We will compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the institution and related entities in the statement during the reporting period. We will obtain and inspect payroll summary registers for the reporting year for each selection. We will compare and agree payroll summary registers to the related coaching salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the statement during the reporting period, and recalculate totals. We will compare and agree the totals recorded to any employment contracts executed for the sample selected.
 - 4) Coaching Other Compensation and Benefits Paid by a Third Party – We will obtain and inspect a listing of coaches employed by third parties during the reporting period. We will select a sample of 3 coaches employed by third parties during the reporting period that must include football, and men's and women's basketball. We will compare and agree the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by a third party and recorded by the institution in the statement during the reporting period. We will obtain and inspect payroll summary registers for each selection. We will compare and agree related payroll summary registers to the coaching other compensation and benefits paid by a third party expenses recorded by the institution in the statement during the reporting period, and recalculate totals.
 - 5) Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the institution and Related Entities – We will select a sample of 3 support staff/administrative personnel employed by the institution and related entities during the reporting period. We will obtain and inspect payroll summary registers for each selection. We will agree related payroll summary registers to the related support staff/administrative salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the statement during the reporting period, and recalculate totals.
 - 6) Support Staff/Administrative Other Compensation and Benefits Paid by a Third-Party– We will select a sample of 3 support staff/administrative personnel employed by the third parties during the reporting period. We will obtain and inspect payroll summary registers for each selection. We will agree related payroll summary registers to the related support staff/administrative other compensation and benefits expense recorded by the institution in the statement during the reporting period, and recalculate totals.
 - 7) Severance Payments – We will select a sample of 1 employee receiving severance payments by the institution during the reporting period and agree each severance

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- payment to the related termination letter or employment contract and recalculate totals.
- 8) Recruiting – We will obtain documentation of the institution’s recruiting expense policies. We will compare and agree to existing institutional- NCAA-related policies. We will obtain general ledger detail and compare to the total expenses reported.
 - 9) Team Travel – We will obtain documentation of the institution’s team travel policies. We will agree to institutional- and NCAA-related policies. We will obtain general ledger detail and compare to the total expenses reported.
 - 10) Equipment, Uniforms, and Supplies – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 11) Game Expenses – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 12) Fund Raising, Marketing, and Promotion – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 13) Sports Camp Expenses – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 14) Spirit Groups – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 15) Athletic Facility Debt Service, Leases, and Rental Fees – We will obtain a listing of debt service schedules, lease payments and rental fees for athletic facilities for the reporting year. We will compare a sample of 2 facility payments including the top two highest facility payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements). We will compare amounts recorded to amounts listed in the general ledger detail and recalculate totals.
 - 16) Direct Overhead and Administrative Support – We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of 1 transaction to validate existence of the transaction and accuracy of recording, and recalculate totals.
 - 17) Indirect Institutional Support – We will test this with the revenue section - Indirect Institutional Support.
 - 18) Medical Expenses and Medical Insurance – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transactions to validate existence of the transaction and accuracy of recording and recalculate totals.
 - 19) Memberships and Dues – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.

Attachment A

- 20) Student-Athlete Meals (non-travel) – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transaction to validate existence of the transaction and accuracy of recording and recalculate totals.
- 21) Other Operating Expenses and Transfers to Institution – We will obtain general ledger detail and compare to the total expenses reported. We will agree a sample of 1 transactions to validate existence of transaction and accuracy of recording and recalculate totals.

Related to affiliated and outside organizations not under the Institution's accounting control:

- N. In preparation for our procedures related to affiliated and outside organizations:
- 1) We will inquire of management as to whether they have identified any affiliated or outside organizations that meet any of the following criteria:
 - i. Booster organizations established by or on behalf of an intercollegiate athletics program.
 - ii. Independent or affiliated foundations or other organizations that have as a principal purpose, generating or maintaining of grants-in-aid or scholarships funds, gifts, endowments or other moneys, goods or services to be used entirely or in part by the intercollegiate athletics program.
 - iii. Alumni organizations that have as one of its principal purposes the generating of moneys, goods or services for or on behalf of an intercollegiate athletics programs and that contribute moneys, goods or services directly to an intercollegiate athletics program, booster group, or independent or affiliated foundation as previously noted.
 - 2) We will obtain documentation on the institution's practices and procedures for monitoring the internal controls in place and financial activities of these organizations. We will inquire of management on the procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the institution's intercollegiate athletic program.
 - 3) We will obtain and inspect audited financial statements of the organization and any additional reports regarding internal controls and any corrective action taken in response to comments concerning the control environment. We will perform the following supplemental procedures:
- O. For expenses on or on behalf of intercollegiate athletic programs by affiliated and outside organizations not under the institution's accounting control, we will obtain those organization's statements for the reporting period. We will compare and agree the amounts reported in the statement to the organization's general ledger confirm the revenue and expenses directly with the responsible official of the organization.
- 1) We will obtain a summary of revenue and expenses for or on behalf of the organization and will include it with the report.
 - 2) We will agree a sample of 3 operating-revenue categories reported in the organization's statement during the reporting period to supporting schedules provided by the organization.
 - 3) We will agree a sample of 3 operating-revenue receipts obtained from the above operating revenue schedule to supporting documentation.

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- 4) We will agree each operating expense category reported in the organization's statement during the reporting period to supporting schedules provided by the organization.
- 5) We will agree a sample of 3 operating expenses obtained from the above operating expense supporting schedules to supporting documentation.
- 6) We will directly confirm cash balances recorded at the end of the reporting period by the organization and agree to the related year-end bank reconciliation(s).
- 7) We will obtain and inspect minutes of the organization's governing bodies during the reporting period and select a sample of 3 financial transactions discussed in the minutes.
- 8) We will select a sample of 3 financial transactions discussed in the minutes and agree each selection to the organization's accounting records, as applicable.
- 9) We will obtain and inspect documentation of the internal controls in place surrounding revenues and expenses related to the organization.

Professional Services Agreement – Agreed-Upon Procedures Addendum to Plante & Moran, PLLC Engagement Letter

This Professional Services Agreement is part of the engagement letter for agreed-upon procedure services dated April 2, 2021 between Plante & Moran, PLLC (referred to herein as “PM”) and Oakland University (referred to herein as “the University”) and National Collegiate Athletic Association (the “NCAA”) are deemed to be the “Specified Parties” for whom the agreed-upon procedures will be performed.

- 1. Agreed-Upon Procedures** – PM will apply agreed-upon procedures as outlined in Attachment A to the engagement letter. PM’s engagement to apply the agreed-upon procedure will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and National Collegiate Athletic Association Financial Audit Guidelines. PM’s responsibility in an agreed-upon procedures engagement is to perform the procedures and report the findings as agreed to by the University. If, for any reason, PM is unable to complete the procedures, PM will describe any restrictions on the performance of the procedures in PM’s report, or PM will not issue a report as a result of this engagement.

Due to the limited nature of the specific procedures to be performed, PM’s engagement cannot be relied upon to identify or disclose instances of known or suspected fraud or noncompliance with laws and regulations. However, PM will inform the appropriate level of management of any evidence of information that comes to PM’s attention during the performance of the engagement that indicates fraud or noncompliance with laws and regulations may have occurred.

The University acknowledges and understands that there is little likelihood that PM’s engagement will detect any fraud or non-compliance with laws or regulations that may exist. The University acknowledges and agrees that the nature and extent of the agreed upon procedure services PM will provide, as outlined in this agreement, are sufficient for the University’s purposes.

- 2. Management Responsibilities** – The University is responsible for the University’s Intercollegiate Athletics Program Statement of Revenues and Expenses prepared by management, and determining the nature and extent of procedures to be performed. The sufficiency of the procedure is solely the responsibility of those the University. Consequently, PM makes no representation regarding the sufficiency of the procedure described in the Attachment A either for the purpose for which this report has been requested or for any other purpose.

The University is responsible for all management decisions and management functions; for evaluating the adequacy and results of the services PM will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with PM’s engagement. Further, the University acknowledges that it is responsible for designating an individual with suitable skill, knowledge, and/or experience to oversee any attest services PM provides; and for evaluating the adequacy and results of those services and accepting responsibility for them.

The University personnel will provide PM with information that PM may request from management for the purpose of this engagement, in a timely and orderly manner. This includes access to all information of which management is aware that is relevant to the procedures being performed, such as records, documentation, and other information and unrestricted access to persons within the University from which PM determines it is necessary to obtain information.. This includes retrieval of records and, if applicable, preparation of schedules and analyses. A written request for information to be provided will be submitted under separate cover and supplemented by additional written and oral requests as necessary during the course of PM’s engagement.

The University represents and warrants that any and all information that it transmits to PM will be done so in full compliance with all applicable federal, state, and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, “Data Privacy Laws”). The University shall not disclose personal data of data subjects who are entitled to certain rights and protections afforded by applicable federal, state, and foreign privacy and data protection laws (“Personal Data”) to PM without prior notification to PM. The University shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

At the conclusion of PM’s engagement, PM will request certain written representations from the University management that will confirm management’s responsibility for the subject matter of the agreed-upon procedures. The University agrees to hold PM harmless from any liability and costs resulting from misrepresentations made to PM by management.

Management is responsible for providing PM with complete, accurate, and timely information that could bear on PM’s independence under applicable professional standards, including, but not limited to, information and representations regarding affiliates of the University, business or personal relationships between the University and PM, and business, personal and employment relationships between those in a financial reporting oversight role, including members of governance, and PM (collectively, Independence Information). The University

Professional Services Agreement – Agreed-Upon Procedures

represents and warrants that (a) it has provided PM any and all Independence Information existing as of the date of this Agreement, (b) that such Independence Information is accurate and complete as of the date of this Agreement, (c) that it will notify PM of any changes to Independence Information that has been provided as of the date of this Agreement, and (d) that, after the date of this Agreement, it will provide any new Independence Information to PM as soon as it becomes known to the University.

- 3. Confidentiality, Ownership, and Retention of Workpapers** – During the course of this engagement, PM and PM staff may have access to proprietary information of the University, including, but not limited to, information regarding general ledger balances, financial transactions, trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to the University. PM will comply with all applicable ethical standards, laws, and regulations as to the retention, protection, use and distribution of such confidential client information. Except to the extent set forth herein, PM will not disclose such information to any third party without the prior written consent of the University.

In the interest of facilitating PM's services to the University, PM may communicate or exchange data by internet, e-mail, facsimile transmission, or other electronic method. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, the University recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Both the University and PM acknowledge, however, that PM may be required to make its workpapers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform the University in a timely manner of such request and to cooperate with the University should it attempt, at the University's cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to the University as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, workpapers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon the University's written request, PM may, at its sole discretion, allow others to view any workpapers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. The University acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's workpapers, without regard to whether access had been granted with respect to any prior requests.

- 4. Consent to Disclosures to Service Providers** – In some circumstances, PM may use third-party service providers to assist with its services, including affiliates of PM within or outside the United States. In those circumstances, PM will be solely responsible for the provision of any services by any such third-party service providers and for the protection of any information provided to such third-party service providers. PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for the University. In order to enable these third party service providers to assist PM in this capacity, the University, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of the University's information, including tax return information, to such third party service providers, including affiliates of PM outside of the United States, if and to the extent such information is relevant to the services such third party service providers may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. The University's consent shall be continuing until the services provided for this engagement agreement are completed.
- 5. Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees, or not-to-exceed fees ("Fee Quotes"), these Fee Quotes are based on information provided by the University and the planned assistance to be received as described under "Management's Responsibilities" above. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from

Professional Services Agreement – Agreed-Upon Procedures

those estimates, or if requested information is not provided in an accurate and timely manner, PM's estimated fees will be adjusted for the additional time PM's incur as a result. PM will advise the University in the event these circumstances occur, however it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be in accordance with the Fee Adjustments provision of this Agreement.

- 6. Payment Terms** – PM's invoices for professional services are due upon receipt unless otherwise specified in the engagement letter. In the event any of PM's invoices are not paid in accordance with the terms of this Agreement, PM may elect, at PM's sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM's agreed-upon procedures upon resumption of PM's work. The University agrees that in the event PM stops work or terminates this Agreement as a result of the University's failure to pay fees on a timely basis for services rendered by PM as provided in this Agreement, or if PM terminates this Agreement for any other reason, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.
- 7. Fee Adjustments** – Any fee adjustments for reasons described elsewhere in this agreement will be determined based on the actual time expended by PM staff at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and included as an adjustment to PM's invoices related to this engagement. The University acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
- 8. Conditions of PM Visit to Client Facilities** – The University agrees that PM's services will be provided remotely to the maximum extent possible. In order to facilitate the provision of services remotely, the University agrees to provide documentation and other information reasonably required by PM for PM's performance of the engaged services electronically to the extent possible throughout the course of the engagement. In the event in-person visits to the University's facility(ies) are determined by PM in its sole discretion to be necessary for the performance of the engaged services, the University agrees, as a pre-condition to any such in-person visit, to provide to PM for PM's evaluation the University's policies and procedures that the University has implemented and will adhere to relating to workplace safety and the prevention of the transmission of disease at its facility(ies). In addition, the University affirms that it is in compliance with applicable Centers for Disease Control and Prevention and OSHA guidance pertaining to the prevention of the transmission of disease (collectively, "Applicable Preventative Guidance") and agrees that it shall continue to comply with Applicable Preventative Guidance throughout any in-person visits by PM to the University's facility(ies). The University further affirms that it is in compliance and shall continue to comply with all other applicable laws, regulations, or executive orders relating to COVID-19 or the prevention of the spread thereof (collectively, "COVID-19 Laws") and agrees that it shall continue to comply with COVID-19 Laws throughout any in-person visits by PM to the University's facility(ies). Notwithstanding the foregoing, PM reserves the right to suspend or refrain from any in-person visit by PM to the University's facility(ies) or impose further conditions on any such in-person visit if and as PM deems necessary at its sole discretion. The University agrees and acknowledges that any determination by PM to visit the University's facility(ies) is not and shall not be construed to be or relied on by the University as a determination by PM of the University's compliance with Applicable Preventative Guidance or any COVID-19 Laws.
- 9. Release and Hold Harmless for Biological Agent Liability** – The University acknowledges that there is an inherent risk of exposure to COVID-19 or other infectious diseases associated with any in-person interaction or in-person visit to property. Accordingly, the University, for itself and its successors and assigns, hereby releases PM and each of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third party service providers (collectively, "PM Persons") from any and all claims or causes of action that the University has, or hereafter may or shall have, against any of them in connection with, related to, or arising out of COVID-19 or other infectious diseases or the transmission thereof associated with a visit by one or more of the PM Persons to any the University facility(ies) or other in-person interaction with the University personnel (collectively hereafter "Biological Agent Liability"). Moreover, the University shall indemnify, defend and hold harmless the PM Persons from and against all claims, liabilities, losses and expenses suffered or incurred by any of them associated with any claim of Biological Agent Liability related to, arising out of or in connection with any visit by any PM Persons to a the University facility(ies) or other in-person interaction with the University personnel.
- 10. Exclusion of Certain Damages** – In no event shall either party be liable to the other, whether a claim be in tort, contract, or otherwise, for any indirect, consequential, punitive, exemplary, lost profits, or similar damages in claims relating to PM's services provided under this engagement.
- 11. Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving the University but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, the University agrees to

Professional Services Agreement – Agreed-Upon Procedures

compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.

- 12. Termination of Engagement** – This Agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease and PM's engagement will be deemed to have been completed. The University will be obligated to compensate PM for all time expended and to reimburse PM for all out-of-pocket expenditures through the date of termination of this engagement.
- 13. Entire Agreement** – This engagement agreement is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
- 14. Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
- 15. Force Majeure** – Neither party shall be deemed to be in breach of this engagement agreement as a result of any delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a "Force Majeure Event"). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
- 16. Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
- 17. Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Agreement – Agreed-Upon Procedures



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plantemoran.com

April 2, 2021

Ms. Melissa Stolicker
Mr. John W. Beaghan
Oakland University
201 Meadow Brook Road, Room 13
Rochester, MI 48309

Dear Ms. Stolicker and Mr. Beaghan:

Thank you for your selection of Plante & Moran, PLLC ("PM") to assist you. We are sending this letter and the accompanying Professional Services Agreement, which is hereby incorporated as part of this engagement letter, to confirm our understanding of the nature, limitations and terms of the services we will provide to Oakland University (referred to herein as "Client").

Scope of Tax Services

We will perform a limited review of your internally-prepared Form 990-T. This review will be limited to a review of the form on its face; we will not review underlying workpapers or other documents to determine the correctness of the figures or information entered on the return. We will discuss with you any items that we identify during our review that appear to be inconsistent or obviously incorrect. Plante & Moran will not sign the Form 990-T, as our review will not rise to the level that we will be considered the preparer of the return for this purpose.

While the scope of the engaged services is limited as set forth above, if Client determines that it needs additional services, including accounting, consulting or other tax assistance, PM can be available to provide such additional services if and to the extent provided for in a separate engagement letter agreed to and signed by Client and PM.

We provide tax consulting services with the expectation that the IRS or other taxing authority would, in conducting an examination, reach the same conclusion we do. Nonetheless, we cannot guarantee that the IRS or other taxing authority will reach the same conclusion.

In the event that the above transactions/matters is selected for examination by the IRS or other taxing authority, we are available to represent you at an additional charge and pursuant to a separate engagement agreement. This engagement and our fee for the analysis of the above transaction does not include representation in any examination or responding to other inquiries by taxing authorities.

Timing of Services

We expect to begin our review in November 2020. Our ability to timely complete this engagement is dependent on the impact of the Coronavirus pandemic, including Client's timely delivery of requested information and access to Client staff.

Ms. Melissa Stolicker
Oakland University

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April 2, 2021

Fees and Payment Terms

Our fee for this engagement, subject to the terms and conditions of the accompanying Professional Services Agreement, will be based on the value of services provided, which is primarily a function of the time that Plante & Moran staff expend at our current hourly rates. We estimate that our fee for this engagement will be \$1,000.

Invoices for tax consulting and other services and out-of-pocket costs will be rendered as services are provided and are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

Our fees for this engagement are based on and depend on timely access to information and/or personnel required to complete the services described above.

If you are in agreement with our understanding of the terms and limitations of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the letter and return it to us with the accompanying Professional Services Agreement.

Thank you for the opportunity to serve you.

Very truly yours,

Plante & Moran, PLLC



Dana M. Coomes

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between Oakland University and Plante & Moran, PLLC with respect to the services specified in the Scope of Tax Services section of this engagement letter.

Oakland University

Ms. Melissa Stolicker
Chair, Audit Committee

Date

Mr. John W. Beaghan,
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Date

Professional Services Agreement – Tax Consulting Services Addendum to Plante & Moran, PLLC Engagement Letter

This Professional Services Agreement is part of the engagement letter for tax consulting services dated April 2, 2021 between Plante & Moran, PLLC (referred to herein as "PM") and Oakland University (referred to herein as "Client").

- 1. Nature of Consulting Services** – PM's tax consulting services will be based on information and records provided to PM by Client. PM will rely on such underlying information and records and its analysis will not include audit or verification of the information and records provided to PM in connection with PM's analysis. If any information that Client provides appears to be incomplete or unsatisfactory, PM may request additional or revised information to be provided to PM on a timely basis. If PM is unable to obtain what, in its sole discretion is deemed to be necessary additional or revised information, PM may cease work or withdraw from this engagement.

PM's analysis will be limited solely to Review of Form 990-T tax matters outlined within the engagement letter ("Subject Transactions"). PM's analysis will not include any investment advice or recommendations. Client acknowledges that PM will not provide advice or recommendations regarding the advisability of the Subject Transactions for investment or any other purposes.

- 2. Management Responsibilities** – The consulting services PM will provide are advisory in nature. Client is solely responsible for all management decisions, management functions, and implementation activities in connection with PM's services and PM's engagement to provide these services. PM's responsibility is to provide the consulting services based on information Client provides. PM may advise Client about possible tax positions or elections, but all final decisions about such matters are Client's responsibility. Client acknowledges that Client has the final responsibility for its tax returns, and the tax positions taken therein. Further, Client acknowledges that Client is responsible for evaluating the adequacy of the services PM will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with this engagement. Client has designated Mr. John W. Beaghan, Vice President for Finance and Administration and Treasurer to the Board of Trustees to oversee the services PM will provide.

Client represents and warrants that any and all information that it transmits to PM will be done so in full compliance with all applicable federal, state, local and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, "Data Privacy Laws"). Client shall not disclose personal data of data subjects ("Personal Data") who are entitled to certain rights and protections afforded by applicable Data Privacy Laws to PM without prior notification to PM. Client shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

- 3. Scope Limitations** – PM will not determine the completeness or accuracy of the information supplied by Client. Client acknowledges that PM's services pursuant to this engagement agreement are not to be construed and should not be relied on as an oversight function, in any respect, of Client's accounting system. Client acknowledges that PM's analysis will not constitute a compilation, review, or audit of Client's financial statements or other financial information. Client represents and warrants that it will not make reference to PM in connection with any offering document or in any communication with any third party regarding financial statements or other financial information of Client. If the University requires financial statements or other financial information for third party use, a separate engagement agreement detailing any such additional services shall be required. Client acknowledges that PM shall not have any responsibility, obligation, or duty of care with respect to any of Client's financial statements

This engagement also will not include preparation or review of any tax returns. Accordingly, while PM may request prior years' returns to facilitate the rendering of the consulting services that are the subject of this engagement, PM shall not be responsible for identifying errors or omissions in any prior years' returns. Client acknowledges that PM's consulting services do not include any assessment or evaluation of internal controls, which are the responsibility of management, and cannot be relied upon to detect or disclose any fraud, defalcation, or other irregularities that may exist.

The services provided by PM pursuant to this engagement are not intended to confer any benefit on any third party and the liability of PM to any third party is expressly disclaimed.

- 4. Use of Summary of Conclusions** – At the conclusion of PM's analysis, PM will provide Client with a summary of PM's conclusions regarding the tax ramifications of the transaction(s) outlined in the engagement letter. PM's summary will be restricted solely to use by management of Client and Client agrees that PM's summary will not be distributed to any outside parties for any purpose other than to carry out legal responsibilities of Client. PM will have no responsibility to update its summary for any events or circumstances that occur or become known subsequent to the date of that summary.

Professional Services Agreement – Tax Consulting Services

- 5. Tax Records** – Client management is responsible for establishing and maintaining appropriate documentation and substantiation of deductions and tax positions in accordance with the requirements of applicable taxing authorities. Client acknowledges that taxing authorities may impose additional tax, interest, or penalties if Client fails to establish and maintain required documentation and agrees that PM assumes no responsibility for any such assessments, interest or penalties. Client should retain all documents and other data that form the basis of income and deductions, including documents and data that support conclusions from PM's analysis during this engagement. This documentation may be necessary to prove the accuracy and completeness of the tax returns in the event that they are selected for an examination by a taxing authority.
- 6. Taxing Authority Audits** – Client's tax returns and filings may be subject to audit by applicable taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. PM provides no guarantee, express or implied, of the outcome of any audit or any other determination by a taxing authority with respect to any tax return positions relating to the Subject Transactions. In the event that such tax returns are selected for examination by a taxing authority, PM is available to represent Client in such an examination at an additional charge. PM's fee for the tax return preparation services covered by this Agreement does not include representation in any examination or responding to other inquiries by taxing authorities.
- 7. Disclosure of Tax Positions** – Tax laws require that certain tax positions be disclosed unless there is, at minimum, substantial authority for such positions. Client acknowledges that a failure to properly disclose these tax positions may result in accuracy-related penalties being assessed. Client acknowledges that advice regarding disclosure of the Subject Transaction is beyond the scope of this engagement. Client further acknowledges that PM will have no duty, responsibility or obligation regarding such disclosure on Client's tax return.
- 8. Reportable Transactions** – The Internal Revenue Service (IRS) and some states have promulgated "tax shelter" rules that require taxpayers to disclose their participation in "reportable transactions" by attaching a disclosure form to their federal and/or state income tax returns and, when necessary, by filing a copy with the IRS and/or the applicable state agency. These rules impose significant requirements to disclose transactions and such disclosures may encompass many transactions entered into in the normal course of business. Disclosures required by or made pursuant to the tax shelter rules are separate and distinct from other disclosures that might be required to be made with Client's tax returns. Client acknowledges that failure to make such disclosures could result in substantial penalties and that Client is responsible for ensuring that all "reportable transactions" have been properly disclosed.

Client acknowledges that advice regarding disclosure of the Subject Transaction is beyond the scope of this engagement. Client further acknowledges that PM will have no duty, responsibility or obligation regarding such disclosure on Client's tax return.
- 9. "Economic Substance" Doctrine** – Congress has enacted legislation that formally incorporates the economic substance doctrine into the Internal Revenue Code. Such legislation provides both a definition of economic substance, and a penalty that may apply if a taxpayer enters into a transaction that fails to have economic substance. If a transaction is found to lack "economic substance," then some or all of the tax benefits (including tax credits and deductions) may be disallowed. In addition, either a 20 percent penalty will apply if the transaction is disclosed on the taxpayer's tax return or a 40 percent penalty will apply if it is not disclosed. Disclosure of the transaction on the tax return will be at the sole discretion of Client. Client acknowledges that advice regarding disclosure of the Subject Transaction is beyond the scope of this engagement. Client further acknowledges that PM will have no duty, responsibility or obligation regarding such disclosure on Client's tax return.
- 10. Confidentiality, Ownership, and Retention of Client tax return information and Workpapers** – In the interest of facilitating PM's services to Client, PM may communicate or exchange data by internet, e-mail, facsimile transmission, or other electronic method. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, Client recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

All workpapers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Both Client and PM acknowledge, however, that PM may be required to make its workpapers and Client's tax return information "Confidential Information" available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Disclosure of Confidential Information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this Agreement. In the event that a request for any Confidential Information covered by this Agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform Client in a timely manner of such request and to cooperate with Client should it attempt, at Client's cost, to limit such access. This paragraph will survive the termination of this Agreement. PM's efforts in

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complying with such requests will be deemed billable to Client as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, Confidential Information created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon Client's written request, PM may, at its sole discretion, allow others to view any workpapers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. Client acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's workpapers, without regard to whether access had been granted with respect to any prior requests.

11. Consent to Disclosures to Service Providers – In some circumstances, PM may use third-party services to assist with PM's tax return services, including affiliates of PM within or outside the United States. In those circumstances, PM will be solely responsible for the provision of any services by any such third-party service providers and for the protection of any information provided to such third-party service providers. PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's tax return services for Client. In order to enable these third-party service providers to assist PM in this capacity, Client, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of Client's tax return information to such third-party service providers, including affiliates of PM outside of the United States, to the extent such tax return information is relevant to the services the third-party service provider may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this Agreement. Until further written notice from Client withdrawing or limiting such consent, Client's foregoing consent shall be continuing until the services provided for this engagement agreement are completed.

12. Fee Quotes – In any circumstance where PM has provided estimated fees, fixed fees, or not-to-exceed fees ("Fee Quotes"), these Fee Quotes, are based on information provided by Client regarding the nature and condition of its accounting, financial, and tax records; the nature and character of transactions reflected in those records; and the design and operating effectiveness of its internal controls. Client acknowledges that if this information is not accurate, Client may incur additional fees. By way of example and not my limitation the following are examples of circumstances that may result in an increase in fees:

- Failure by Client to timely provide the required information
- Significant unanticipated or undisclosed transactions, new tax issues, or other such unforeseeable circumstances, including those created by the Coronavirus pandemic and resulting market conditions;
- Delays by Client causing scheduling changes or disruption of the planned timing of the consulting services, including challenges created by the Coronavirus pandemic resulting from the inaccessibility of Client personnel or records;
- Circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the consulting services;
- Issues with the prior accounting firm or prior year tax returns that impact the current year engagement;
- An excessive number of accounting adjustments.

PM will endeavor to advise Client in the event these circumstances occur, however it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this Agreement.

13. Payment Terms – PM's invoices for professional services are due upon receipt unless otherwise specified in the engagement letter. In the event any of PM's invoices are not paid in accordance with the terms of this Agreement, PM may elect, at PM's sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of services upon resumption of PM's work. Client agrees that in the event PM stops work or terminates this Agreement as a result of Client's failure to pay fees on a timely basis for services rendered by PM as provided in this Agreement, or if PM terminates this Agreement for any other reason, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.

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- 14. Fee Adjustments** – Any fee adjustments for reasons described elsewhere in this Agreement will be determined based on the actual time that PM staff expend at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and included as an adjustment to PM's invoices related to this engagement. Client acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this Agreement.
- 15. Subsequent Discovery of Facts** – After the date PM completes its tax consulting services and presents its conclusions to Client, PM has no obligation to make any further or continuing inquiry or perform any other procedures with respect to the transactions that were analyzed. If information becomes available that relates to these transactions and such information was not provided to or known by PM at the time the consulting services were performed, Client may request to have the transactions reanalyzed. The cost of performing the tax consulting services again resulting from information not provided to or known by PM and the time of services are not covered by this Agreement. Additional tax consulting services will be considered a separate engagement and additional fees for such work will be determined based on the actual time that PM staff expend at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and Client acknowledges and agrees that payment for all such additional fees will be made in accordance with the payment terms provided in this Agreement.
- 16. Conclusion of Engagement** - Client acknowledges that PM's obligation to provide services pursuant to this engagement shall terminate and the engagement will conclude upon the communication of PM's conclusion upon the tax ramifications of the Subject Transaction.
- 17. Conditions of PM Visit to Client Facilities** – Client agrees that PM's services will be provided remotely to the maximum extent possible. In order to facilitate the provision of services remotely, Client agrees to provide documentation and other information reasonably required by PM for PM's performance of the engaged services electronically to the extent possible throughout the course of the engagement. In the event in-person visits to Client's facility(ies) are determined by PM in its sole discretion to be necessary for the performance of the engaged services, Client agrees, as a pre-condition to any such in-person visit, to provide to PM for PM's evaluation Client's policies and procedures that Client has implemented and will adhere to relating to workplace safety and the prevention of the transmission of disease at its facility(ies). In addition, Client affirms that it is in compliance with applicable Centers for Disease Control and Prevention and OSHA guidance pertaining to the prevention of the transmission of disease (collectively, "Applicable Preventative Guidance") and agrees that it shall continue to comply with Applicable Preventative Guidance throughout any in-person visits by PM to Client's facility(ies). Client further affirms that it is in compliance and shall continue to comply with all other applicable laws, regulations, or executive orders relating to COVID-19 or the prevention of the spread thereof (collectively, "COVID-19 Laws") and agrees that it shall continue to comply with COVID-19 Laws throughout any in-person visits by PM to Client's facility(ies). Notwithstanding the foregoing, PM reserves the right to suspend or refrain from any in-person visit by PM to Client's facility(ies) or impose further conditions on any such in-person visit if and as PM deems necessary at its sole discretion. Client agrees and acknowledges that any determination by PM to visit Client's facility(ies) is not and shall not be construed to be or relied on by Client as a determination by PM of Client's compliance with Applicable Preventative Guidance or any COVID-19 Laws.
- 18. Exclusion of Certain Damages** – In recognition of the relative risks and benefits of this engagement to both Client and PM, and a fair allocation of risk between them, Client agrees, to the fullest extent permitted by law, to limit the liability of PM or any of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third party service providers (collectively, "PM Persons"), to Client for any and all claims, losses, costs, and damages of any nature whatsoever so that the total aggregate liability of PM and/or the PM Persons to Client shall not exceed one (1) times the total fee paid to PM for the services provided in connection with this engagement letter. In no event shall PM or the PM Persons be liable to Client, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, punitive, exemplary, lost profits or similar damages relating to PM's services provided under this engagement. None of the above limitations of PM's liability shall limit PM's liability for willful misconduct or any other liability which cannot be lawfully limited or excluded.
- 19. Defense, Indemnification, and Hold Harmless** – As a condition of PM's willingness to perform the services provided for in this engagement agreement, Client agrees to defend, indemnify and hold PM and the PM Persons harmless against any claims by third parties for losses, claims, damages, or liabilities, to which PM or the PM Persons may become subject in connection with or related to the services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability was caused directly by the willful misconduct or gross negligence of PM, or one of the PM Persons. This defense, indemnity and hold harmless obligation includes the obligation to reimburse PM and/or the PM Persons for any legal or other expenses incurred by PM or the PM Persons, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities.
- 20. Waiver of Right to a Jury Trial** – Each party acknowledges and agrees that any dispute that may arise under this Agreement or the services provided to Client is likely to involve complicated and difficult issues; therefore, each of

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the parties hereto irrevocably waives any and all right to trial by jury in any legal proceedings arising out of or relating to this Agreement or the transactions or matters contemplated hereby.

21. **Termination of Engagement** – This Agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease, and PM's engagement will be deemed to have been completed. Client will be obligated to compensate PM for all time expended and to reimburse PM for all out-of-pocket expenditures through the date of termination of this engagement.
22. **Entire Agreement** – This engagement agreement is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this Agreement, signed by all of the parties.
23. **Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
24. **Force Majeure** – Neither party shall be deemed to be in breach of this engagement agreement as a result of any delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war, other violence, epidemic, pandemic or other public health emergency or government mandated shut down (each individually a "Force Majeure Event"). Client acknowledges and agrees that a Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
25. **Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
26. **Governing Law** – This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this Agreement, or any dispute arising from or relating to this Agreement shall reside exclusively within the State of Michigan.

End of Agreement – Tax Consulting Services